HABIBMETRO
Financial Services

Federal Budget FY25

IMF–Pressive Budget

Contents

Federal Budget FY25:

The Federal Budget FY25, presented a fiscal strategy focused on enhancing tax collection, and implementing crucial fiscal reforms. With the government's crucial objective of securing an IMF bailout package of approximately USD 6-8bn, this budget proposed a host of inflationary measures that will shape the economic landscape for the coming year.

A recurrent theme was the importance of a budget based on a 'Homegrown Reform Agenda.' This agenda focused on widening the tax base by adding burden on non-filers, reducing leakages in government finances while ensuring a sustainable external sector, and supporting vulnerable sections of society. Furthermore, the budget increased allocation of funds to the Public Sector Development Program (PSDP). Moreover, targeted reforms were also announced for the energy and agricultural sectors, aiming to fortify these critical areas of the economy. Notably, the government has made tall claims regarding the containment of the Circular Debt in the upcoming fiscal year.

Nevertheless, it is evident that the budget entailed a wide range of taxes to be imposed on the populace, as well as a substantial removal of tax exemptions, that are discussed below.

Federal Budget FY25:

Highlights of the Budget for 2025

- *Total Budget Outlay: The federal budget for FY25 has a total outlay of PKR 18.87tn, marking a ~30% increase compared to the previous year. This figure includes all expenditures and net lending of funds.*
- *Current Expenditure: Proposed current expenditure stands at PKR ~17tn, reflecting a significant 29% increase from the last fiscal year.*
- *Federal Revenue: The total projected revenue for FY25 is PKR 17.8tn. These include FBR's revenue collection of PKR 12.97tn and non-tax revenue of PKR 4.84tn.*
- *Inflation: The government aims to control inflation, eyeing a single digit inflation target for the next fiscal year.*
- *GDP Growth Target: The budget sets a GDP growth target of 3.6% for the upcoming fiscal year.*
- *The budget aims to focus on Privatization of SOEs, outsourcing of airports, and attracting investing through SIFC.*

Federal Budget FY25

Friday, June 14, 2024

Budget at a Glance

Receipts	PKR bn	Expenditure	PKR bn
Tax Revenue	**12,970**	**CURRENT:**	**17,203**
Non-Tax Revenue	**4,845**	Interest Payments	9,775
(a) Gross Revenue Receipts	17,815	Pension	1,014
(b) Less Provincial Share	7,438	Defense Services	2,122
Net Revenue Receipts (a-b)	**10,377**	Grants and transfers	1,777
Non-Bank Borrowing (NSSs & Others)	2,662	Subsidies	1,363
Net External Receipts	666	Running of Civil Government	839
Bank Borrowing	5,142	Provision For Emergency and Others	313
Privatization Proceeds	30		
		DEVELOPMENT:	**1,674**
Total	**8,500**	Federal PSDP	1,400
		Net Lending	274
Total Resources	**18,877**	**Total Expenditures**	**18,877**

Tax Collection – Key Targets

PKR Mn	2023-24B	2023-24R	2024-25B
1. Direct Taxes			
Income Tax	4,203,531	3,681,888	5,454,062
Worker's Welfare Fund	15,666	11,231	16,637
Worker's Profit Participation Fund	34,878	17,308	25,639
Capital Value Tax	925	10,573	15,662
Total (Direct)	4,255,000	3,721,000	5,512,000
2. Indirect Taxes			
Customs Duties	1,211,000	1,324,000	1,591,000
Sales Tax	3,411,000	3,607,000	4,919,000
Federal Excise	538,000	600,000	948,000
Total (Indirect)	5,160,000	5,531,000	7,458,000
TOTAL TAX REVENUE	**9,415,000**	**9,252,000**	**12,970,000**

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Economic Overview

- ***GDP Growth:*** *The projected GDP growth for FY24 stands at 2.38%, reversing from the previous fiscal year's contraction of 0.21% in FY23. (FY25 budgeted target: 3.6%)*
- ***Agriculture Sector:*** *The agriculture sector experienced a growth of 6.25% in FY24(P), driven by a robust 16.82% increase in key crops such as cotton, rice, and wheat.*

Economic Indicators	FY20	FY21	FY22	FY23	FY24TD
Real GDP Growth	-0.9%	5.8%	6.2%	-0.2%	2.4%
Agriculture	3.9%	3.5%	4.2%	2.3%	6.3%
Manufacturing	-7.8%	10.5%	10.9%	-5.3%	2.4%
LSM (Large Scale Manufacturing)	-11.2%	11.5%	11.9%	-9.9%	0.1%
Services	-1.2%	5.9%	6.7%	0.0%	1.2%
Current Account Balance (USD bn)	-0.10	-1.62	-2.19	0.50	0.49
Exports (USD bn)	21.44	25.31	31.79	27.77	28.08
Imports (USD bn)	44.99	56.40	80.18	55.73	49.96
Fiscal Deficit (% of GDP)	-8.1%	-7.1%	-7.9%	-7.7%	-3.7%
Inflation (%)	10.7%	8.9%	12.2%	29.2%	24.5%

Source: SBP, PBS, MOF, HMFS Research *as per latest data available*

- ***Industrial Sector:*** *Following a downturn in FY23, the industrial sector has exhibited a resurgence, achieving a growth rate of 1.21% in FY24(P). Manufacturing, comprising 65.3% of the industrial sector, remains pivotal to its performance. Notably, manufacturing expanded by 2.42%, while construction saw a robust growth of 5.86% during the fiscal year.*
- ***Services Sector:*** *Over the past several years, the services sector has contributed the largest share to GDP to 58%. In FY24(P), the sector grew by a modest growth of 1.21%.*

Economic Overview

- ***Per Capita Income (USD):*** *In FY24(P), the per capita income experienced a notable ascent of USD 129, reaching USD 1,680, attributable to heightened economic activity and appreciation in the exchange rate.*
- ***Inflation:*** *The average Consumer Price Index (CPI) inflation for the period July-April FY24 was recorded at 26.0% vs 28.2% in FY23.*
- ***Investments (as % of GDP):*** *In FY24(P), the investment to GDP ratio experienced a notable decline, diminishing to 13.14% from its preceding level of 14.13% in FY23.*
- ***Savings (as % of GDP):*** *The savings-to-GDP ratio experienced a marginal decline from 13.2% in FY23 to 13.0% in FY24(P), indicative of a subtle shift in saving patterns within the economy.*
- ***Public Debt:*** *As of the end of March 2024, the total public debt stood at PKR 67.5tn. Within this figure, domestic debt accounted for PKR 43.4tn, while external public debt amounted to PKR 24.09tn (equivalent to USD 86.7bn).*

Economic Overview

- ***Current Account:*** *During July-March FY24, the current account deficit was significantly reduced by 87.5% to USD 0.5bn. This improvement was driven by a rise in exports and a sustained decline in imports.*
- ***Fiscal Deficit:*** *The fiscal deficit from July to March in FY24 was recorded at 3.7% of GDP.*

GDP Growth for FY25 3.6%

Expenditure for FY25 PKR18.9tn

Inflation for FY25 12%

Fiscal Deficit as % of GDP for FY25 5.9%

Tax Target for FY25 PKR12.9tn

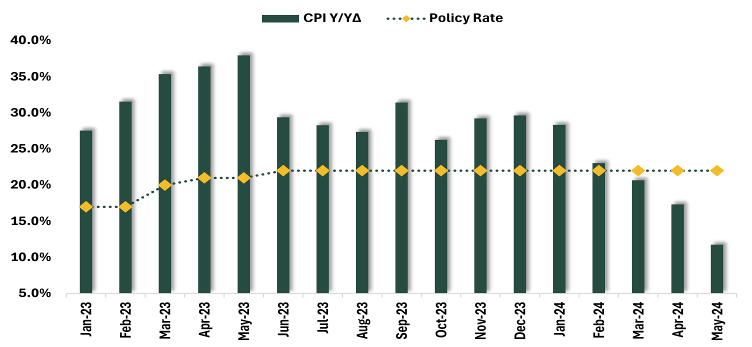
Primary Deficit as % of GDP for FY25 2%

Defense Budget for FY25 PKR2.1tn

PSDP for FY25 PKR1.5tn

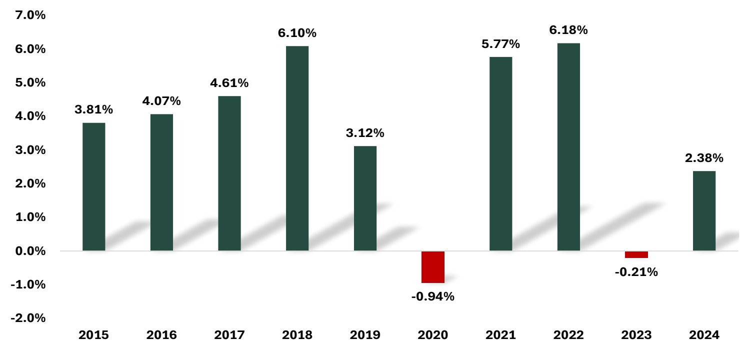
Economic Overview

CPI vs Interest Rates



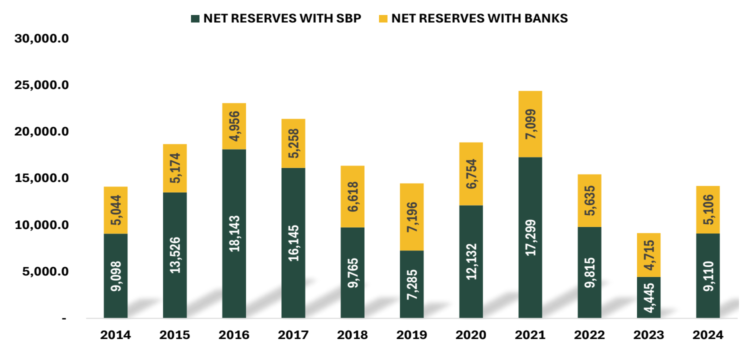
Source: PBS, SBP, HMFS Research

GDP Growth



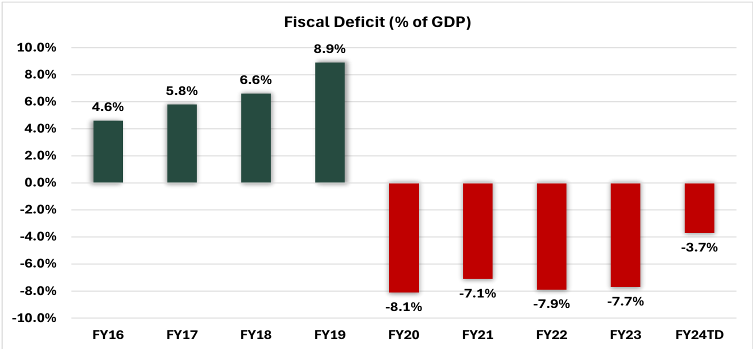
Source: SBP, HMFS Research

Foreign Exchange Reserve (USD / Mn)



Source: SBP, HMFS Research

Fiscal Deficit



Source: MoF, HMFS Research

Revenue Measures and Budget Allocations:

- ***Outsourcing of major airports*** *is planned, with bidding for Islamabad Airport currently in process, ending on 15 July 2024. The outsourcing of Islamabad Airport will be followed by Lahore and Karachi airports.*
- *Agriculture, constituting 24% of GDP and employing 37.4% of the workforce, sees a proposed budget of PKR 5bn for the* ***'Markup and Risk Sharing Scheme for Farm Mechanization'***
- *The proposed* ***Energy Sector Development*** *Budget is set at PKR 253bn, comprising:*
  - *PKR 65bn for the installation of Assets Performance Management System on distribution transformation*
  - *PKR 5bn for enhancing electricity distribution efficiency*
  - *PKR 21bn for the development of coal power in Jamshoro*
  - *PKR 11bn allocated for improving the NDC System*
- *Budget for* ***Export Refinance Scheme*** *proposed at PKR 13.8bn*

Revenue Measures and Budget Allocations: (Continued)

- *The proposed **Water Resources Development** Budget stands at PKR 206bn, encompassing:*
  - *PKR 45bn allocated for the Mohmand Dam Hydro Power Project*
  - *PKR 40bn for the construction of the Diamer Bhasha Dam*
  - *PKR 18bn for the Chashma Right Bank (lift-cum-gravity project)*
  - *PKR 10bn designated for remodeling the Pat Feeder in Balochistan*
- *The proposed budget for the **IT Sector** amounts to PKR 79bn, covering:*
  - *PKR 7bn for the digitalization of FBR*
  - *PKR 8bn for the establishment of an IT Park in Karachi*
  - *PKR 11bn for the Technology Park Development Project in Islamabad*
  - *PKR 2bn allocated for PSEB*
  - *PKR 20bn designated for Digital Infrastructure Information*

Federal Budget FY25

PSDP Allocation:

Infrastructure
PKR 827bn

Water
PKR 206bn

Energy
PKR 89bn

Housing
PKR 42bn

Transport
PKR 279bn

Health
PKR 45bn

What's new for the Bourse – CGT

One of the key changes introduced in the upcoming FY25 budget, poised to significantly impact the equities market, is the reform of the Capital Gains Tax (CGT) on the disposal of securities. Previously, CGT rates varied based on the holding period of the security, encompassing seven different slabs with corresponding rates.

The tax rates were inversely proportional to the holding period, with securities held for more than six years being exempt from CGT, while those disposed of within one year were taxed at 15%. However, as proposed in the new budget, for securities purchased after July 1, 2024, a uniform CGT rate of 15% will apply regardless of the holding period. Securities held prior to this cutoff date will continue to be taxed according to the previous structure, where the rate decreases with longer holding periods.

It is important to note that these rates apply to filers; non-filers will face a significantly higher rate of 45%, up from the previous 35%, as proposed in the FY25 budget.

Impact on Index – CGT

To shed light on the impact of this change, it is evident that its implications are profound. Following the announcement of the budget, the stock market index surged to unprecedented highs, surpassing the 77,000 mark during intraday trading just two days later. While part of this surge can be attributed to the budget not being as stringent as investors had anticipated, another significant factor is investors anticipating the implementation of a 15% CGT on securities purchased in FY25.

This new CGT rate applies uniformly, irrespective of the holding period. Thus, in response to this impending change, savvy investors are making strategic moves to capitalize on the existing tax structure before the new regime comes into effect. Market participants recognize that once the FY25 begins, they will no longer be able to avoid the 15% CGT, prompting them to maximize their gains under the current tax rules.

CGT on Securities

Capital Gain tax on securities proposed at 15% for filer and 45% on non-filer

S. No.	Holding Period	Rate of Tax on disposal of securities acquired between 1st July, 2022 and 30th June, 2024	Rate of Tax on disposal of securities acquired on or after 1st July, 2024
1	Up to 1 Year	15%	15% for persons appearing on the Active Taxpayers' List on the date of acquisition and the date of disposal of securities; and at the rate specified in Division I for individuals and association of persons and Division II for companies in respect of persons not appearing on the Active Taxpayers' List on the date of acquisition and date of disposal of securities: Provided that the rate of tax for individuals and association of persons not appearing on the Active Taxpayers' List, the rate of tax shall not be less than 15% in any case.
2	1 Year to 2 Years	12.50%	
3	2 Years to 3 Years	10%	
4	3 Years to 4 Years	7.50%	
5	4 Years to 5 Years	5%	
6	5 Years to 6 Years	2.50%	
7	Above 6 Years	0%	

Source: Finance Bill, HMFS Research

Sector-Wise Snapshot

Fertilizer/ Agriculture

- *GST on sale of DAP fertilizer has been increased to 18% from 5%* ***(Negative)***

  Comment: *The hike in the GST will be passed on to the final consumer resulting in an increase in retail prices, suppressing the demand of DAP.*

- *Sales tax of 10% to be implemented on tractors, which enjoyed zero tax before* ***(Neutral to Negative)***

  Comment: *The hike in the GST will be passed on to the final consumer resulting in an increase in retail prices, leading to lower demand for the product.*

- *Subsidy on urea import has been jacked up from PKR 6bn to PKR 10bn* ***(Neutral to positive)***

  Comment: *Given strong domestic demand, the subsidy would do little if any to hurt local manufacturers, meant to ensure food security.*

Sector-Wise Snapshot

Textile

- *The Tier I retailers GST rate on Textile and Leather sector increased from 15% to 18%* ***(Negative)***

  Comment: *This tax increase is anticipated to dampen the demand for branded textiles. Moreover, this measure will also affect the profit margins of textile companies with substantial retail operations, such as NML and GATM.*
- *Increase in minimum salary to PKR 37k.* ***(Negative)***

  Comment: *The textile sector, employing nearly 40% of the labor force, will experience a decrease in profit margins due to the minimum wage increase from PKR 32,000 to PKR 37,000.*
- *Normal Income Tax on Export Income* ***(Negative)***

  Comment: *In the FY25 budget, the government has removed the fixed 1% tax regime for exporters, subjecting them to the normal tax regime instead. This change will increase their effective tax rates, significantly reducing profitability. The 1% final tax on export proceeds will now be considered a minimum tax and integrated into the normal tax calculations, affecting all exporters, including ILP, NML, NCL, GATM, and others.*

Sector-Wise Snapshot

Cement

- *Hike in FED on cements, per kg price increased from PKR 2/kg to PKR 3/kg* ***(Neutral to Negative)***

  Comment: *The increase in the excise duty on cement will lead to an increase of PKR 50 in the price of cement bag which is expected to be passed on to the retail prices and there will be a negligible impact on margins of the cement manufacturers.*
- *Inclusion of coal, gypsum, and limestone in the WHT regime* ***(Negative)***

  Comment: *Impact of WHT tax on coal, gypsum, and limestone is expected to impact production cost which will likely suppress margins.*
- *PSDP budget for FY25 set at PKR 1.5tn, 101% higher than the last year* ***(Positive)***

  Comment: *Significant increase in PSDP allocation, with improved utilization, is expected to support local cement demand in the upcoming year.*
- *5% FED rate to be imposed on real estate* ***(Negative)***

  Comment: *Could impact uptake of cement since more duties can impact real estate endeavors*

Sector-Wise Snapshot

Steel

- *PSDP budget for FY25 set at PKR 1.5tn, 101% higher than the last year.* ***(Positive)***

  Comment: *The high PSDP amount is a positive sign for construction activity, indicating a forthcoming boom. If this amount is allocated, the demand for steel will increase.*
- *Iron and Steel Scrap has been added to the list of exempted items.* ***(Positive)***

  Comment: *The sales tax exemption for iron and steel will offer significant relief to the industry, benefiting all companies within the sector as their margin will increase.*
- *Increase of duties on import of steel and paper products.* ***(Positive)***

  Comment: *This measure aims to strengthen the domestic long steel industry, thereby reducing import competition for local companies like MUGHAL, ASTL, ISL, and AGHA.*

Sector-Wise Snapshot

Automobile and Auto Spare Parts

- *Withdrawal of exemption on imported hybrid/ electric vehicles and Government has allocated PKR 4bn for E-bikes* ***(Positive)***

  Comment: *The government, aiming to boost the local industry, has proposed the withdrawal of tax exemptions on imported hybrid and electric vehicles. These exemptions were initially introduced to encourage green technology and reduce environmental pollution. Now that local producers have begun manufacturing hybrid and electric vehicles, the government intends to remove these exemptions. This initiative will benefit the local industry, particularly Indus Motor Company Limited and Sazgar Engineering Works Limited, as both companies are producing hybrid vehicles domestically. Moreover, a budget of PKR 4bn allocated to E-bikes is expected to further boost auto sales.*

Sector-Wise Snapshot

- *Tax relaxations on raw materials of batteries* ***(Positive)***

  Comment: *The government has proposed exemption in custom duty on the import of plant, machinery, raw materials, and parts used in the manufacturing of solar panels, inverters, and batteries. This measure aims to support the renewable energy sector, reduce production costs, and encourage the adoption of sustainable energy solutions. These combined efforts are designed to strengthen the local automotive and renewable energy industries, promoting economic growth and environmental sustainability.*

- *Vehicle registration tax for vehicles up to 2000cc has transitioned from being based on engine capacity to vehicle price* ***(Neutral)***

  Comment: *In its latest budget proposal for FY25, the Pakistani government announced a shift in car taxation policy. For vehicles up to 2000cc, the vehicle registration tax will now be based on the price of the car rather than engine capacity. This tax measure will help government collect more tax, especially on luxury cars that falls below 2000cc engine capacity. However, the impact of this initiative will not be significant as filers can adjust it as advance tax.*

Sector-Wise Snapshot

Advance income tax on purchase of motor vehicles

Sr No.	Engine capacity	Previous Rate	New Rate
1	Up to 850 cc	PKR 10,000	0.5% of the value
2	851cc to 1000cc	PKR 20,000	1% of the value
3	1001cc to 1300cc	PKR 25,000	1.5% of the value
4	1301cc to 1600cc	PKR 50,000	2% of the value
5	1601cc to 1800cc	PKR 150,000	3% of the value
6	1801cc to 2000cc	PKR 200,000	5% of the value
7	2001cc to 2500cc	6% of the value	7% of the value
8	2501cc to 3000cc	8% of the value	9% of the value
9	Above 3000cc	10% of the value	12% of the value

Source: MoF, HMFS Research

Sector-Wise Snapshot

Technology & Communication

- *PKR 79bn allocated for IT sector* ***(Positive)***

  Comment: *The federal government has allocated PKR 79bn for the IT sector in its latest budget FY25. Additionally, to boost the tech Industry, capital goods imported for use in Special Technology Zones will be exempted from customs duty and sales tax for ten years.*

- *Impose 18% tax on Mobile phones.* ***(Negative)***

  Comment: *The previous tax amount on various categories of mobile phones will be withdrawn, and they will now be taxed at the standard rate of 18% for phones valued up to USD 500. Phones valued above USD 500 will continue to be taxed at the existing rate of 25%. Additionally, the bill proposes allowing purchasers and importers to offset the input tax incurred on mobile phones and related goods against the sales tax payable. This initiative will benefit local mobile phone assemblers such as Airlink.*

Sector-Wise Snapshot

Here is a summary of the proposed changes in sales tax:

Amount in PKR	Previous			Proposed		
Description / Specification of Goods	Sales tax on CBUs at the time of import or registration	Sales tax on import in CKD/SKD condition	Sales tax on supply of locally manufactured mobile phones in CBU condition	Sales tax on CBUs at the time of import or registration	Sales tax on import in CKD/SKD condition	Sales tax on supply of locally manufactured mobile phones in CBU condition
Upto USD 30 (excluding smart phones)	130	10	10	18% ad valorem	18% ad valorem	18% ad valorem
Upto USD 30 (smart phones)	200	10	10	18% ad valorem	18% ad valorem	18% ad valorem
USD 31 to USD 100	200	10	10	18% ad valorem	18% ad valorem	18% ad valorem
USD 101 to USD 200	1,680	10	10	18% ad valorem	18% ad valorem	18% ad valorem
USD 201 to USD 350	18% ad volerum	1,740	10	18% ad valorem	18% ad valorem	18% ad valorem
USD 351 to USD 500	18% ad volerum	5,400	10	18% ad valorem	18% ad valorem	18% ad valorem
Above USD 500	25% ad volerum	9,270	10	25% ad volerum	18% ad valorem	18% ad valorem

Furthermore, the proposal includes treating export income under the normal tax regime, with a 1% tax on export proceeds serving as a minimum tax. Implementing the standard tax rate on exports is expected to negatively impact the sector by reducing its earnings.

Sector-Wise Snapshot

Commercial Banks

- *Continuation of Super Tax introduced in FY23 (max 10%), 0.6% WHT on cash withdrawals by non-filers* ***(Neutral)***

  Comment: *Super tax is already applicable from FY24 and onwards, and withholding on banking transactions by non-filers was in place as well*
- *Provision or expected 'Credit loss for Advances' or any other financial assets existing before Jan'2023 under IFRS-9 proposed not to be allowed as expense* ***(Negative)***

  Comment: *The proposed change on the back of IFRS 9 adoption, is expected to increase taxation burden and reduce profits.*

Glass and Ceramics

- *Withdrawal of exemption of custom duty on imported glass products* ***(Positive)***

  Comment: *An increase in glass production and sales of glass products is expected from local producers to meet the additional domestic demand arising from import substitution.*

Sector-Wise Snapshot

Tobacco

- *FED of PKR 44,000/ kg has been imposed on Acetate Tow (used in cigarettes)* ***(Negative)***

  Comment: *With increase in the FED rates, the end prices of tobacco/ related products are likely to rise, which may likely result in reduced demand.*

- *FED increased from PKR 1,500/ kg to PKR 80,000/kg for cigarette filter rods* ***(Negative)***

  Comment: *With increase in the FED rates, the end prices of tobacco products are likely to rise, which may likely result in reduced demand of tobacco products.*

- *FED of PKR 1,200/ kg to be imposed on nicotine pouches* ***(Negative)***

  Comment: *Reduced demand through higher taxes and increased incidence of illicit competition, profitability of local tobacco players is expected to be negatively impacted.*

Sector-Wise Snapshot

- ***Capital Gain tax on real estate*** *proposed at 15% for filer and 45% on non-filer*
- *A **progressive withholding tax on immovable property** is set at 3% for filers and 6% for non-filers*
- ***Petroleum levy*** *increased from PKR 60 per litre to PKR 80 per litre*
- ***Sales Tax on stationery and dairy*** *items has been increased from zero-rated to 18%*
- *Advance withholding tax for **non-filer dealers, wholesalers, and distributors** increased from 1% to 2.25%*
- ***Exporters*** *will be brought under normal tax regime by abolishing the fixed 1% tax regime for exporters. The 1% final tax on export proceeds will now be considered as minimum tax and integrated into the normal tax calculations.*

Tax Revision on Salaried Class

Tax hiked for Salaried Individuals

Amount in PKR

Sr No.	Taxable income slabs	Existing Incremental Rates	Proposed Incremental Rates
1	Up to 600,000		
2	600,001 to 1,200,000	2.5% of the amount exceeding 600,000	5% of the amount exceeding 600,000
3	1,200,001 to 2,200,000	12.5% of the amount exceeding 1,200,000	15% of the amount exceeding 1,200,000
4	2,200,001 to 2,400,000	12.5% of the amount exceeding 2,200,000	25% of the amount exceeding 2,200,000
5	2,400,001 to 3,200,000	22.5% of the amount exceeding 2,400,000	25% of the amount exceeding 2,400,000
6	3,200,001 to 3,600,000	22.5% of the amount exceeding 3,200,000	30% of the amount exceeding 3,200,000
7	3,600,001 to 4,100,000	27.5% of the amount exceeding 3,600,000	30% of the amount exceeding 3,600,000
8	4,100,001 to 6,000,000	27.5% of the amount exceeding 4,100,000	35% of the amount exceeding 4,100,000
9	Exceeding Rs 6,000,000	35% of the amount exceeding 6,000,000	35% of the amount exceeding 6,000,000

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Tax Revision on Non - Salaried Class

Tax hiked for Salaried Individuals

Amount in PKR

Sr No.	Taxable income	Existing Incremental Rates	Proposed Incremental Rates
1	Up to 600,000	Rs. 0	Rs. 0
2	600,001 to Rs 800,000	7.5% of the amount exceeding 600,000	15% of the amount exceeding 600,000
3	800,001 to Rs 1,200,000	15% of the amount exceeding 800,000	15% of the amount exceeding 800,000
4	1,200,001 to Rs 1,600,000	20% of the amount exceeding 1,200,000	20% of the amount exceeding 1,200,000
5	1,600,001 to Rs 2,400,000	20% of the amount exceeding 1,600,000	30% of the amount exceeding 1,600,000
6	2,400,001 to Rs 3,000,000	25% of the amount exceeding 2,400,000	30% of the amount exceeding 2,400,000
7	3,000,001 to Rs 3,200,000	30% of the amount exceeding 3,000,000	30% of the amount exceeding 3,000,000
8	3,200,001 to Rs 4,000,000	30% of the amount exceeding 3,200,000	40% of the amount exceeding 3,200,000
9	4,000,001 to Rs 5,600,000	35% of the amount exceeding 4,000,000	40% of the amount exceeding 4,000,000
10	Above 5,600,000	35% of the amount exceeding 5,600,000	45% of the amount exceeding 5,600,000

Relief Measures – Individuals

- *A 25% increase in salaries for Grade 1-16 employees*
- *A 22% increase in salaries for Grade 17-22 employees*
- *A 15% increase in pensions for retired employees*
- *An increase in the minimum wage from PKR 32,000 to PKR 37,000*

Contacts

Ather H. Medina	Chief Executive Officer	(92-21) 3582 2244	ather@hmfs.com.pk

Research Team (92-21) 3264 8442

Uzma Taslim	Head Of Research	uzma.taslim@hmfs.com.pk
Rubeya Rashid	Research Analyst	rubeya.rashid@hmfs.com.pk
Areeb Qureshi	Research Analyst	areeb.qureshi@hmfs.com.pk
Rimsha Mohib	Research Analyst	rimsha.mohib@hmfs.com.pk
Umesh Solanki	Database Manager	umesh.solanki@hmfs.com.pk

Sales Team

Gohar Altaf	Head Of Sales	(92-21) 3582 2277	gohar.altaf@hmfs.com.pk
Kashif Ibrahim	Senior Equity Trader	(92-21) 3582 2274	kashif.ibrahim@hmfs.com.pk
Raza Iqbal	Equity Trader	(92-21) 3582 2217	raza.iqbal@hmfs.com.pk

Online Desk

Iftikhar Hassan	Head Of Online Product	(92-21) 3514 8164	iftikhar@hmfs.com.pk
Umair Ilyas	Online Trader	(92-21) 3514 8162	umair.ilyas@hmfs.com.pk

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HMFS RATING GUIDE	
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